

**The South Alabama Regional
Planning Commission**

**Comprehensive Economic Development Strategy
Annual Report**



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ADJUSTMENTS

The economic toll of the Covid-19 is unprecedented in Alabama and our Region. Businesses of all sizes have been affected due to this pandemic. Our focus of economic growth and workforce development has transition from unprecedented economic growth with a tight labor pool in February, to widespread economic downturn and unemployment. We were recently awarded a \$400,000.00 grant from the U.S. Department of Commerce, Economic Development Administration to develop an Economic Relief and Resiliency Response Plan. This Plan will identify industry sectors that have had little or no impact from the pandemic. This Plan is intended to identify those types of industries that can be expanded upon and also identify new industries that will excel in our Region. A workforce development plan will also be developed as part of the Response Plan.

On September 16th, Hurricane Sally made landfall, leaving devastation, destruction and parts of our region in the dark days after the storm. Total devastation in some areas is visible. It will take years to overcome and recover from this storm event.

REPORT

Southwest Alabama continues with the designation of Manufacturing Community by the U.S. Department of Commerce. The U.S. Commerce Department-led program, part of the Investing in Manufacturing Communities Partnership, is designed to accelerate the resurgence of manufacturing in communities nationwide by supporting the development of long-term economic development strategies that help communities attract and expand private investment in the manufacturing sector and increase international trade and exports.

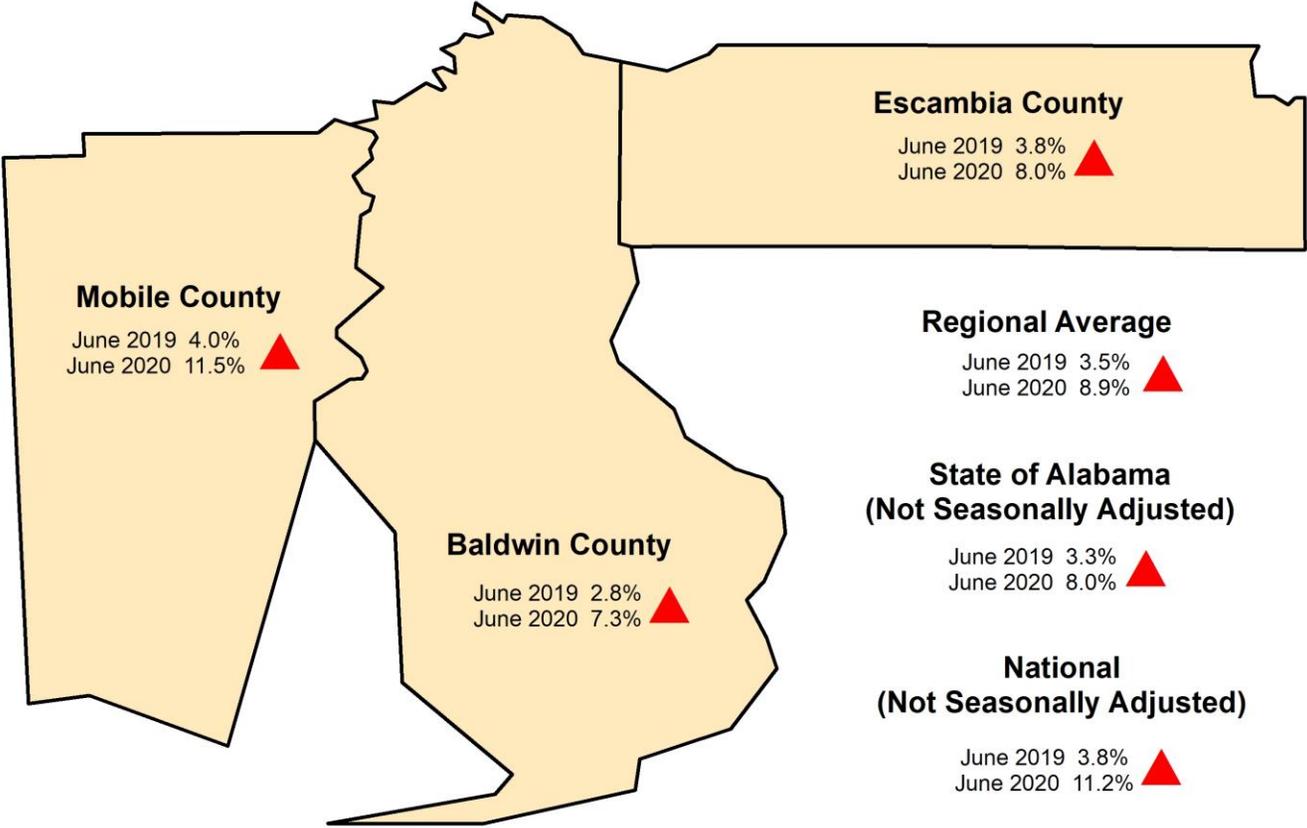
The District continues to seek diversification of its economic base and become more competitive in the global economy. The District is stressing the development of clusters that include the technology industry, aerospace engineering and manufacturing, medical research and tourism.

Job training and education are critical aspects of the economic development strategy; several initiatives for upgrading education and training are ongoing.

Vision Statement

“To promote long-term economic resiliency through economic growth and diversification by utilizing existing resources and workforce, and eliminating unemployment and under-employment.”

2019 and 2020 Unemployment Rates



Source: AL Department of Labor as of 08/19/2020
Note: Percentages for 2019 are revised and those for 2020 are projected

TABLE 1
Baldwin County, Escambia County, and Mobile County
August 2019 – July 2020
Regional New and Expanding Industries

BALDWIN COUNTY				
Company	Location	Jobs Created	Investment	Product/Service
New Industry				
Aldi Inc. (Alabama) & Affiliates	Loxley	200	\$100,000,000	Regional HQ and Warehouse
Expanding				
Ascend Performance Materials	Foley	10	\$4,100,000	Fiber Manufacturer
Segers Aero Corporation	Fairhope	5	\$4,300,000	Aerospace MRO
Total		215	\$108,400,000	
ESCAMBIA COUNTY				
Expanding Industry				
Provalus	Brewton	100	Unavailable	IT and Computer Programming
Total		100		
MOBILE COUNTY				
New Industry				
AutoMOBILE International Terminal	Port of Mobile	51	\$60,000,000	Roll-on, roll-off automobile
Incoa Performance Minerals	Theodore	74	\$110,000,000	calcium carbonate, a product used
Expanding Industry				
Airbus	Mobile	275	\$40,000,000	A220 & A320 aircraft
SpillTech Environmental	Mobile	15	\$4,800,000	high-performance absorbent
SpillTech Environmental	Mobile	8	\$4,980,000	high-performance absorbent
Jones Welding Company	Mobile	10	\$8,500,000	repair of industrial equipment
Total		433	\$228,280,000	
TOTAL FOR REGION		748	336,680,000	

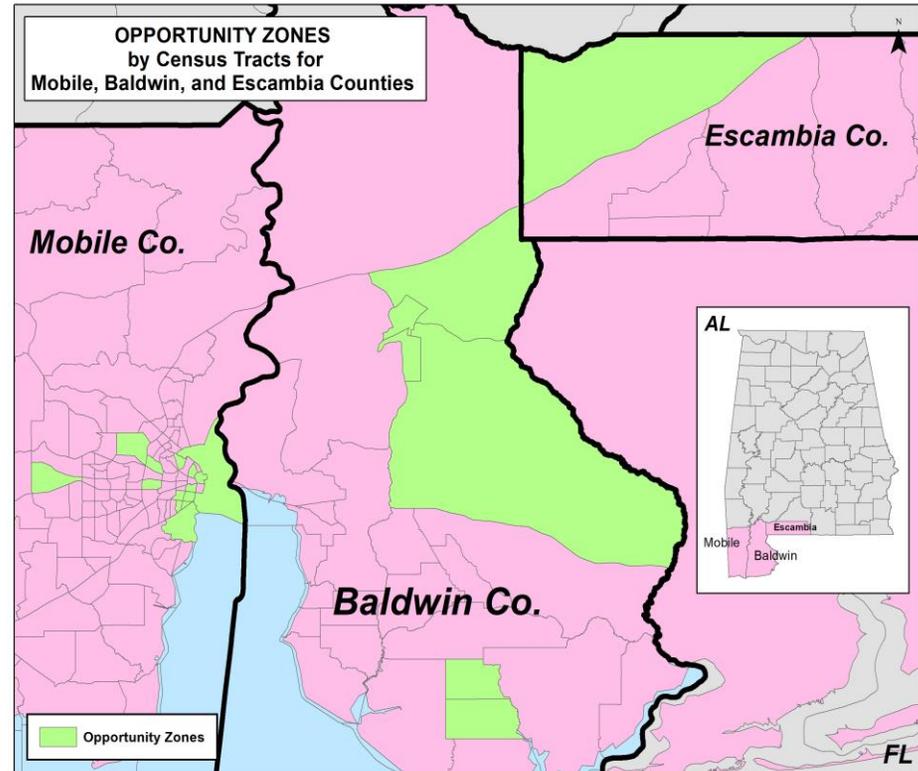
Sources: Baldwin County Economic Development Alliance, Coastal Gateway Economic Development Alliance, Mobile Area Chamber of Commerce

OPPORTUNITY ZONES

In 2017 the Federal Tax Cuts and Jobs Act was passed creating Opportunity Zones. Opportunity Zones are designed to drive long-term capital into low-income urban and rural communities across the nation, using tax incentives to encourage private investment into designated census tracts through privately- or publicly-managed investment funds. They are certified by the U.S. Secretary of the Treasury via his delegation of that authority to the Internal Revenue Service. Under certain conditions, new investments in Opportunity Zones may be eligible for preferential tax treatment.

In 2019, Governor Kay Ivey signed the Alabama Incentives Modernization Act (the AIM Act) into law. This law initiated a framework designed to provide the best and most impact-oriented Opportunity Zone (OZ) investments providing: (1) aligned state-level capital gains tax breaks, (2) potential state investment dollars, and (3) new impact investment tax credits to de-risk investments.

There are 21 census tracts in our Region that are designated as Opportunity Zones.



PREVIOUS YEARS ECONOMIC DEVELOPMENT ACTIVITIES

The Comprehensive Economic Development Strategy Committee continues to be active. Topics of significance economic importance were reviewed and updated, as necessary, to illustrate the current need of our region.

Progress achieved in accomplishing scope of work goals and objectives are as follows:

GOAL/OBJECTIVE 1: ADVANCE THE REGION'S ECONOMY

Create an environment that fosters economic diversification and growth in the region

- Continue to respond to questions about grant funding for economic development projects
- The Provalus office space is currently under construction

Strengthen and expand economic cooperation and collaboration regionally and beyond the region's borders

- 433 new jobs were created in the region by 10 new and expanding industries

GOAL/OBJECTIVE 2: CREATE A REGION THAT SUPPORTS EXISTING BUSINESSES, ENTREPRENEURSHIP AND INNOVATION

Improve the availability of capital

- Continue to assist with federal and state grants and revolving loan opportunities (gap financing) to stimulate new business and existing business

GOAL/OBJECTIVE 3: CREATE A REGION THAT SUPPORTS EXISTING BUSINESSES, ENTREPRENEURSHIP AND INNOVATION

Align education and training programs to ensure the region's current and future workforce can meet employer needs

- Provalus, an expanding industry in Brewton provides extensive training and workforce development to its employees
- Recently awarded an EDA Grant to prepare an Economic Relief and Resiliency Response Plan

GOAL/OBJECTIVE 4: PROVIDE HIGH QUALITY INFRASTRUCTURE IMPROVEMENTS TO SUPPORT DEVELOPMENT, REDEVELOPMENT, AND REVITALIZATION OF THE BUILT ENVIRONMENT

Develop public-private partnerships that improve, expand and maintain adequate infrastructure that is current with the latest technological advancements and capable of meeting existing and future needs

- Continue to administer grants for Brewton Water Tank, well and service line due to demand based on new industry. (ADECA \$700,000 and DRA \$300,000 which support the EDA grant of \$2,800,000)
- An additional bridge is planned across the intracoastal waterway to support tourism and evacuation in Orange Beach and Gulf Shores

GOAL/OBJECTIVE 5: PROTECT THE ENVIRONMENT

Implement land use management policies and environmental policies that protect valuable natural resources but still allow and encourage economic development

- Continue to work with local governments, located in watershed areas, to increase their stormwater management regulations
- Continue working on the Alabama EMA and FEMA Hazard Mitigation funding for a regional hazard mitigation plan
- Worked with Magnolia Springs and Loxley to update their subdivision regulations including stormwater management

Implement a program to clean-up and reuse contaminated sites

- Bay Minette is in year three of a three-year EPA Brownfield Community-Wide Assessment grant in the amount of \$150,000 for hazardous substances and \$150,000 for petroleum

GOAL/OBJECTIVE 6: SUPPORT AND SUSTAIN REGIONAL PARTNERSHIPS TO ACCOMPLISH THE REGION'S ECONOMIC GOALS

Strengthen and expand economic cooperation and collaboration regionally and beyond the region's borders

- Planners of Lower Alabama Network is a group that meets monthly to collaborate on regional issues. This meeting has paused due to the pandemic but is planned to resume in the future.